

SENATE BILL 3055
By Harper

AN ACT to amend Tennessee Code Annotated, Title 12, relative to certain veteran owned businesses.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 12, Chapter 3, Part 8, is amended by adding the following as a new, appropriately designated section thereto:

(a) All state agencies, including departments, offices, institutions of higher education, boards, commissions, or any other state agencies that receive state funds, are required to actively solicit bids from veteran owned businesses. A veteran owned business is a business that is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is a veteran of the United States armed forces. The department of finance and administration shall identify and qualify businesses as veteran owned businesses for purposes of this section, and shall determine the requirements for active solicitation of bids from veteran owned businesses.

(b) The department of finance and administration shall ensure that a fair proportion of purchases made by state agencies shall be purchases from qualified veteran owned businesses. The fair proportion goal of the department shall be that no less than fifteen percent (15%) of the total number of purchases by state agencies shall be purchases from veteran owned businesses. The department shall promulgate and enforce rules intended to ensure that the fair proportion goal is met; provided, however, that in no case shall a state agency be required to give a preference to a veteran owned business unless the terms, price, conditions and quality associated with such business's

proposal are equal to those from other businesses, as determined by the commissioner of finance and administration.

(c) The commissioner of finance and administration shall monitor purchases from veteran owned businesses and shall annually report, on or before February 1, to the governor and to the speakers of each house of the general assembly the number of bids solicited and contracts awarded, the percentage of the total number of purchases by state agencies awarded, and the total dollar amount of contracts awarded, to veteran owned businesses during the previous calendar year.

SECTION 2. The commissioner is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 3. For the purpose of promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes this act shall take effect July 1, 2004, the public welfare requiring it